

ASSEMBLY, No. 5018

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED NOVEMBER 19, 2020

Sponsored by:

Assemblywoman ANNETTE CHAPARRO

District 33 (Hudson)

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Assemblyman JOE DANIELSEN

District 17 (Middlesex and Somerset)

Co-Sponsored by:

Assemblywoman Murphy and Assemblyman Conaway

SYNOPSIS

Requires NJ Infrastructure Bank to provide incentives to environmental infrastructure projects that, where feasible, employ local residents.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/4/2021)

1 AN ACT concerning environmental infrastructure projects and
2 amending P.L.1985, c.334.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. Section 26 of P.L.1985, c.334 (C.58:11B-26) is amended to
8 read as follows:

9 26. a. The trust shall adopt rules and regulations requiring a
10 local government unit which receives a loan or guarantee for a
11 project to establish an affirmative action program for the hiring of
12 minority workers in the performance of any construction contract
13 for that project and to establish a program to provide opportunities
14 for socially and economically disadvantaged contractors and
15 vendors to supply materials and services for the contract, consistent
16 with the provisions of the "Law Against Discrimination," P.L.1945,
17 c.169 (C.10:5-1 et seq.). Not less than 10 percent of the amount of
18 any contract for construction, materials or services for a project
19 shall be awarded to small business concerns owned and controlled
20 by socially and economically disadvantaged individuals as defined
21 in the "Small Business Act," Pub.L.85-536 (15 U.S.C. s.631 et
22 seq.), and any regulations promulgated pursuant thereto provided,
23 however, that the projects funded, in whole or in part, with federal
24 funds, the percentage of such contracts awarded to small business
25 concerns owned and controlled by socially and economically
26 disadvantaged individuals shall equal the goal for participation set
27 forth in section 644(g)(1)(A)(iv) of the "Small Business Act,"
28 Pub.L.85-536 (15 U.S.C. s.644). For transportation financing
29 program projects funded in whole with State funds, contracts for
30 construction materials or services shall comply with the small
31 business set aside regulations promulgated pursuant to section 15 of
32 P.L.1983, c.482 (C.52:32-31).

33 b. The trust shall adopt rules and regulations requiring any
34 entity, which receives a loan, grant, or guarantee for a project to pay
35 not less than the prevailing wage rate to workers employed in the
36 performance of any construction contract for that project, in
37 accordance with the rate determined by the Commissioner of Labor
38 and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-
39 56.25 et seq.).

40 c. The trust shall adopt rules and regulations that provide an
41 incentive for any entity, which receives a loan, grant, or guarantee
42 for an environmental infrastructure project that, where feasible,
43 employs applicants that reside in the municipality in which the
44 project is located or in the service area for the project. The
45 incentive provided pursuant to this subsection may include, but is

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 not limited to, priority in the ranking criteria or prioritization
 2 methodology for projects or a financial incentive such as principal
 3 forgiveness.

4 (cf: P.L.2019, c.194, s.6)

5

6 2. This act shall take effect immediately.

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STATEMENT

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11 This bill directs the New Jersey Infrastructure Bank (NJIB)
 12 (formerly the New Jersey Environmental Infrastructure Trust) to
 13 establish incentives for entities that, where feasible, employ
 14 applicants that reside in the municipality in which an environmental
 15 infrastructure project is located or in the service area for the project.
 16 The incentive may include, but is not limited to, priority in the
 17 ranking criteria or prioritization methodology for projects or a
 18 financial incentive such as principal forgiveness.

19 Under current law, the NJIB requires a local government unit
 20 which receives a loan or guarantee for a project to establish an
 21 affirmative action program for the hiring of minority workers in the
 22 performance of any construction contract for that project and to
 23 establish a program to provide opportunities for socially and
 24 economically disadvantaged contractors and vendors to supply
 25 materials and services for the contract, consistent with the
 26 provisions of the “Law Against Discrimination.”

27 Since its creation in 1985, the NJIB, in partnership with the
 28 Department of Environmental Protection, has provided low-cost
 29 New Jersey Environmental Infrastructure Financing Program
 30 (NJEIFP) loans for the construction of environmental infrastructure
 31 projects that enhance and protect ground and surface water
 32 resources, ensure the safety of drinking water supplies, and make
 33 possible responsible and sustainable economic development. Since
 34 1985, NJEIFP loans to local government units and some private
 35 water companies have totaled more than \$7.13 billion of which the
 36 NJIB has provided more than \$2.9 billion in loans to finance
 37 wastewater systems, combined sewer overflow abatement, nonpoint
 38 source pollution control, and safe drinking water supplies
 39 generating more than 130,000 construction projects throughout the
 40 State.